

**FOREST PRODUCTS INDUSTRY
NATIONAL LABOR
MANAGEMENT COMMITTEE**

July 9, 2009

VIA EMAIL

Senate Finance Committee
United States Senate
Washington, DC 20510

RE: Alternative Fuel Mixture Tax Credit

Dear Senator:

I am writing to express my concern regarding papermakers' eligibility for the alternative fuel mixture tax credit. This industry has been hit particularly hard over the last several years and, quite frankly, can not afford to take another financial hit. In fact, the forest products industry has lost more than 300,000 workers since 2006, almost one-quarter of its workforce. Many companies are depending on this tax credit to keep mills running. In short, this credit could not come at a more appropriate time.

The credit also comes at a time when Congress and the Obama Administration are seeking to promote green jobs and responsible energy generation. The alternative fuel mixture credit allows the domestic paper industry to play a vital role in our nation's clean energy future. Currently, the industry produces almost 70 percent of its own power, most of it derived and generated from biomass, including the papermaking residue known as black liquor. In fact, for nearly a generation, the paper industry has dramatically lessened its dependency on energy from the grid, which is often generated through non-renewable fossil fuels.

The industry has a long track record of producing and using renewable energy and displacing fossil fuel use. Therefore, this credit is not at all an example of wasteful spending nor is it being given to an industry that is undeserving. Furthermore, the elimination of this credit will only result in the loss of more jobs and further economic hardship for an industry that is already reeling from the economic crisis. Do not inflict further damage on this industry by preventing companies from claiming the Alternative Fuel Mixture Tax Credit.

Sincerely,



Mike Draper, Chairman
Forest Products Industry National Labor Management Committee

International Unions:

International Association
of Machinists and
Aerospace Workers

United Brotherhood
of Carpenters and
Joiners of America

United Mine Workers
of America

Regional Affiliates:

Association of Western
Pulp and Paper Workers

Carpenters
Industrial Council

Woodworkers
District Lodge 1, IAM

Woodworkers
District Lodge 2, IAM

National Associations:

American Forest
& Paper Association

Regional Associations:

American Forest
Research Council

Arkansas
Forestry Association

California
Forestry Association

Intermountain
Forest Association

Louisiana
Forestry Association

Minnesota
Forest Industries

Oregon Forest
Industries Council

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